# OSHKOSH CORP

## FORM 8-K
(Current report filing)

Filed 01/31/12 for the Period Ending 01/31/12

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| CIK | 0000775158 |
| Symbol | OSK |
| SIC Code | 3711 - Motor Vehicles and Passenger Car Bodies |
| Industry | Auto & Truck Manufacturers |
| Sector | Consumer Cyclical |
| Fiscal Year | 09/30 |

# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d) of**
**the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **January 31, 2012**

# Oshkosh Corporation

(Exact name of registrant as specified in its charter)

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| **Wisconsin** | **1-31371** | **39-0520270** |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**P.O. Box 2566, Oshkosh, Wisconsin 54903**
(Address of principal executive offices, including zip code)

**(920) 235-9151**
(Registrant's telephone number)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 . Results of Operations and Financial Condition .

On January 31, 2012, Oshkosh Corporation (the "Company") issued a press release (the "Press Release") announcing its earnings for its first fiscal quarter ended December 31, 2011. A copy of such press release is furnished as Exhibit 99.1 and is incorporated by reference herein.

On January 31, 2012, the Company held a conference call in connection with the Company's announcement of its earnings for its first fiscal quarter ended December 31, 2011. A copy of the script (the "Script") for such conference call is furnished as Exhibit 99.2 and is incorporated by reference herein. An audio replay of such conference call and the related question and answer session will be available for at least twelve months on the Company's website at www.oshkoshcorporation.com.

The information, including, without limitation, all forward-looking statements, contained in the Press Release, the Script and related slide presentation on the Company's website (the "Slide Presentation") or provided in the conference call and related question and answer session speaks only as of January 31, 2012. The Company assumes no obligation, and disclaims any obligation, to update information contained in the Press Release, the Script and the Slide Presentation or provided in the conference call and related question and answer session. Investors should be aware that the Company may not update such information until the Company's next quarterly earnings conference call, if at all.

The Press Release, the Script and the Slide Presentation contain, and representatives of the Company made, during the conference call and the related question and answer session, statements that the Company believes to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in the Press Release, the Script and the Slide Presentation or made during the conference call and related question and answer session, including, without limitation, statements regarding the Company's future financial position, business strategy, targets, projected sales, costs, earnings, capital expenditures, debt levels and cash flows, plans and objectives of management for future operations, and compliance with credit agreement covenants are forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "project" or "plan," or the negative thereof or variations thereon or similar terminology. The Company cannot provide any assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from the Company's expectations include, without limitation, those set forth under the caption "Risk Factors" below. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained from time to time in the Company's filings with the Securities and Exchange Commission.

In this Current Report on Form 8-K, "we," "us" or "our" refers to Oshkosh Corporation.

**RISK FACTORS**

***Certain of our markets are highly cyclical and the current or any further decline in these markets could have a material adverse effect on our operating performance.***

The high levels of sales in our defense business in recent years have been due in significant part to demand for defense trucks, replacement parts and services (including armoring) and truck remanufacturing arising from the conflicts in Iraq and Afghanistan. Events such as these are unplanned, as is the demand for our products that arises out of such events. In addition, current economic conditions have put significant pressure on the U.S. federal budget, including the defense budget. Specifically, the President's defense budget for fiscal 2012 includes significantly lower funding for purchases of new military vehicles that we manufacture under our Family of Heavy Tactical Vehicles ("FHTV") and Family of Medium Tactical Vehicles ("FMTV") contracts than in prior years. In addition, the President recently announced plans to cut U.S. defense spending by $487 billion over the next ten years, and the Budget Control Act of 2011 contains an automatic sequestration feature that could require cuts to defense spending totaling over $1 trillion during this period if Congress fails to enact the specified $1.2 trillion in U.S. federal deficit reductions. Unless Congress acts, sequestration will result in significant reductions to the defense budget starting with the fiscal 2013 budget. Moreover, virtually all U.S. troops were withdrawn from Iraq during

2011, and plans exist regarding a future drawdown of U.S. military involvement in Afghanistan, both of which will likely result in a reduction in the level of defense funding allocated to support U.S. military involvement in those conflicts. The magnitude of the adverse impact that federal budget pressures, expected reductions in future defense funding as a result of the withdrawal of U.S. troops from Iraq and the planned drawdown of U.S. military involvement in Afghanistan and an uncertain United States Department of Defense ("DoD") tactical wheeled vehicle strategy, will have on funding for Oshkosh defense programs is uncertain, but directionally, we expect such funding to decline and such decline could be significant. Furthermore, our defense business may fluctuate significantly from time to time as a result of the start and completion of new contract awards that we may receive, such as the FMTV contract that we received in fiscal year 2010 and are in the process of fulfilling.

The decline, compared to historical levels, in overall customer demand in our access equipment, commercial and fire & emergency markets that we have experienced since the start of the global economic downturn and any further decline could have a material adverse effect on our operating performance. The access equipment market in which JLG operates is highly cyclical and impacted by the strength of economies in general, by prevailing mortgage and other interest rates, by residential and non-residential construction spending, by the ability of rental companies to obtain third party financing to purchase revenue generating assets, by capital expenditures of rental companies in general and by other factors. The ready-mix concrete market that we serve is highly cyclical and impacted by the strength of the economy generally, by prevailing mortgage and other interest rates, by the number of housing starts and by other factors that may have an effect on the level of concrete placement activity, either regionally or nationally. Refuse collection vehicle markets are also cyclical and impacted by the strength of economies in general, by municipal tax receipts and by capital expenditures of large waste haulers. Fire & emergency markets are cyclical later in an economic downturn and are impacted by the economy generally and by municipal tax receipts and capital expenditures. Concrete mixer and access equipment sales also are seasonal with the majority of such sales occurring in the spring and summer months, which constitute the traditional construction season in the Northern hemisphere.

The global economy continues to experience weakness, which has negatively impacted our sales volumes for our access equipment, commercial and fire & emergency products as compared to historical levels. In addition, the global economic weakness has caused lending institutions to tighten their credit lending standards, which has restricted our customers' access to capital. Continued weakness in U.S. and European housing starts and non-residential construction spending in most geographical areas of the world are further contributing to the lower sales volumes. A lack of significant improvement in residential and non-residential construction spending or continued low levels of construction activity generally may cause future weakness in demand for our products. Municipal tax revenues in the U.S. have weakened, which has negatively impacted demand for fire apparatus and refuse collection vehicles and delayed the recovery in these markets. Furthermore, it is possible that emerging market growth could slow, which could negatively impact our growth in those markets. We cannot provide any assurance that the global economic weakness and tight credit markets will not continue or become more severe. In addition, we cannot provide any assurance that any economic recovery will not progress more slowly than what we or the market expect. If the global economic weakness and tight credit markets continue or become more severe, or if any economic recovery progresses more slowly than what we or the market expect, then there could be a material adverse effect on our net sales, financial condition, profitability and/or cash flows.

***Our dependency on contracts with U.S. and foreign government agencies subjects us to a variety of risks that could materially reduce our revenues or profits.***

We are dependent on U.S. and foreign government contracts for a substantial portion of our business. That business is subject to the following risks, among others, that could have a material adverse effect on our operating performance:

- Our business is susceptible to changes in the U.S. defense budget, which may reduce revenues that we expect from our defense business, especially in light of federal budget pressures in part caused by U.S. economic weakness, the withdrawal of U.S. troops from Iraq, the uncertainty that exists regarding the future level of U.S. military involvement in Afghanistan and the related level of defense funding that will be allocated to support this involvement, and the level of defense funding that will be allocated to the DoD's tactical wheeled vehicle strategy generally.

- The U.S. government may not appropriate funding that we expect for our U.S. government contracts, which may prevent us from realizing revenues under current contracts or receiving additional orders that we anticipate we will receive.

- Certain of our government contracts for the U.S. Army and U.S. Marines could be suspended, opened for competition or terminated, and all such contracts expire in the future and may not be replaced, which could reduce revenues that we expect under the contracts and negatively affect margins in our defense segment.

- The current U.S. Administration has indicated that it supports increased competition for existing defense programs. The Weapon Systems Acquisition Reform Act also requires competition for defense programs in certain circumstances. Accordingly, it is possible that there will be competition for any MRAP-All Terrain Vehicle ("M-ATV") orders for units above the 10,000 unit ceiling in the initial contract award. Also, it is possible that the U.S. Army and U.S. Marines will conduct an open competition for programs for which we currently have contracts upon the expiration of the existing contracts. Likewise, the U.S. Army and Marine Corps have, in the past, inquired about purchasing the design rights to the FHTV, M-ATV and Medium Tactical Vehicle Replacement that we produce, respectively. Competition for these and other DoD programs we currently have could result in the U.S. government awarding future contracts to another manufacturer or the U.S. government awarding the contracts to us at lower prices and operating margins than we experience under the current contracts.

- Defense truck contract awards that we receive may be subject to protests by competing bidders, which protests, if successful, could result in the DoD revoking part or all of any defense truck contract it awards to us and our inability to recover amounts we have expended in anticipation of initiating production under any such contract.

- Most of our government contracts, including the FMTV contract, are fixed-price contracts with price escalation factors included for those contracts that extend beyond one year. Our actual costs on any of these contracts may exceed our projected costs, which could result in profits lower than historically realized or than we anticipate or net losses under these contracts. In addition, if the timing and size of orders received from the U.S. government differ significantly from the assumptions that we used to price the contract, we may incur unanticipated start-up costs or expend more capital to start up production under the contract, and we may not benefit as we expected from contractual price increases, which could also result in lower than anticipated margins or net losses under these contracts. In particular, we bid the FMTV program at very aggressive margins. We have received orders to date under this program significantly in excess of the quantities that bidders were asked to use to prepare their pricing for this program in the original request for proposal. While the timing and extent of FMTV orders have created opportunities to leverage higher orders to reduce our material costs, they have adversely impacted manufacturing start-up and capital costs under the contract and product pricing relative to what we had originally anticipated as we do not benefit from certain price escalation factors. In addition, the higher order rate for FMTVs caused us to devote more attention to increasing our FMTV production capacity, which delayed our focus on reducing manufacturing costs as compared to our original plans. Collectively, these items caused us to incur losses under the FMTV program through the fourth quarter of fiscal 2011. Although the FMTV contract was marginally profitable in the first quarter of fiscal 2012, our expected future profitability under this contract is based on certain assumptions, including estimates for future increases in the costs of raw materials, targeted cost savings and our ability to achieve certain production efficiencies. There are inherent uncertainties related to these factors and management's judgment in applying them to the analysis of profitability. For example, a 1% escalation in material costs over the Company's projection for FMTV orders currently in backlog would increase the cost of materials by approximately $21 million. Although we do not believe that such an increase would result in a loss on future sales under this contract, it would significantly reduce our expected future gross margins on orders currently in backlog. It is possible that other assumptions underlying the analysis could change in such a manner that the Company would determine in the future that this is a loss contract, which could result in a material charge to earnings.

- We are required to spend significant sums on product development and testing, bid and proposal activities and pre-contract engineering, tooling and design activities in competitions to have the opportunity to be awarded these contracts.

- Competitions for the award of defense truck contracts are intense, and we cannot provide any assurance that we will be successful in the defense truck procurement competitions in which we participate.

- Our defense products undergo rigorous testing by the customer and are subject to highly technical requirements. Our products are inspected extensively by the DoD prior to acceptance to determine adherence to contractual technical and quality requirements. Any failure to pass these tests or to comply with these requirements could result in unanticipated retrofit and rework costs, vehicle design changes, delayed acceptance of vehicles, late or no payments under such contracts or cancellation of the contract to provide vehicles to the government.

- Our government contracts are subject to audit, which could result in adjustments of our costs and prices under these contracts.

- Our defense truck contracts are large in size and require significant personnel and production resources, and when such contracts end, we must make adjustments to personnel and production resources.

- We have historically received payments in advance of product deliveries, or performance-based payments ("PBP"), on a number of our U.S. government contracts. In the event that we are not able to meet contractual delivery requirements on these contracts, the U.S. government may discontinue providing PBPs, which could have an adverse effect on our ability to repay debt and cause us to incur higher interest rates on our outstanding debt.

- In the event of component availability constraints, the U.S. government has the ability to unilaterally divert the supply of components used on multiple government programs to those programs rated most urgent (DX-rated programs). Specifically, the U.S. government has notified us that the supply of tires used on a number of our FHTV variants is constrained and tires that we currently have on order with our supplier to meet our FHTV production requirements will be diverted to other DX-rated programs. We expect that this issue will affect us through much of 2012 and will delay the timing of a portion of our expected FHTV sales into fiscal 2013. The delay in our FHTV production as a result of the tire shortage could result in incremental production costs and delays in the timing of PBPs that we expect to receive under the program, which would adversely affect our cash flows.

- We periodically experience difficulties with sourcing sufficient vehicle carcasses to maintain our defense truck remanufacturing schedule, which can create uncertainty and inefficiencies for this area of our business.

***We may not be able to execute on our MOVE strategy and meet our long-term financial goals.***

We have announced a roadmap, our MOVE strategy, to deliver long-term growth and earnings for our shareholders and to meet our long-term financial goals. The long-term financial goals that we expect to achieve as a result of our MOVE strategy are based on certain assumptions we have made, which assumptions may prove to be incorrect. We cannot provide any assurance we will be able to successfully execute our MOVE strategy, which is subject to a variety of risks, including the following:

- A lower or slower than expected recovery in housing starts and non-residential construction spending;

- Greater than expected declines in DoD tactical wheeled vehicle spending;

- Greater than expected pressure on municipal budgets;

- The possibility that commodity cost escalations could erode profits;

- Low cost competitors aggressively entering one or more of our markets with significantly lower pricing;
- Primary competitors vying for share gains through aggressive price competition;
- The failure of the U.S. government to take actions to ensure the sustainability of defense industry production facilities;
- Our inability to obtain and retain adequate resources to support production ramp-ups, including management personnel;
- The inability of our supply base to keep pace with the economic recovery;
- Our failure to realize procurement, facility optimization and other cost reduction targets;
- Our inability to achieve targeted profitability on the FMTV contract;
- Not winning key large defense contracts, such as the Joint Light Tactical Vehicle, the Modernized Expanded Capability Vehicle and the Canadian Tactical Armor Protected Vehicle and Medium Support Vehicle System;
- Our inability to innovate effectively and rapidly to expand sales and margins; and
- Slow adoption of our products in emerging markets and/or our inability to successfully execute our emerging market growth strategy.

***An impairment in the carrying value of goodwill and other indefinite-lived intangible assets could negatively affect our operating results.***

We have a substantial amount of goodwill and purchased intangible assets on our balance sheet as a result of acquisitions we have completed. At December 31, 2011, approximately 88% of these intangibles were concentrated in the access equipment segment. The carrying value of goodwill represents the fair value of an acquired business in excess of identifiable assets and liabilities as of the acquisition date. The carrying value of indefinite-lived intangible assets represents the fair value of trademarks and trade names as of the acquisition date. We do not amortize goodwill and indefinite-lived intangible assets that we expect to contribute indefinitely to our cash flows, but instead we evaluate these assets for impairment at least annually, or more frequently if potential interim indicators exist that could result in impairment. In testing for impairment, if the carrying value of a reporting unit exceeds its current fair value as determined based on the discounted future cash flows of the reporting unit and market comparable sales and earnings multiples, the goodwill or intangible asset is considered impaired and is reduced to fair value via a non-cash charge to earnings. Events and conditions that could result in impairment include a prolonged period of global economic weakness and tight credit markets, further decline in economic conditions or a slow, weak economic recovery, as well as sustained declines in the price of our common stock, adverse changes in the regulatory environment, adverse changes in interest rates, or other factors leading to reductions in the long-term sales or profitability that we expect. Determination of the fair value of a reporting unit includes developing estimates which are highly subjective and incorporate calculations that are sensitive to minor changes in underlying assumptions. Management’s assumptions change as more information becomes available. Changes in these assumptions could result in an impairment charge in the future, which could have a significant adverse impact on our reported earnings.

***Our current debt levels, including the associated financing costs and restrictive covenants, could limit our flexibility in managing our business and increase our vulnerability to general adverse economic and industry conditions.***

Our credit agreement contains financial and restrictive covenants which, among other things, require us to satisfy quarter-end financial ratios, including a leverage ratio, a senior secured leverage ratio and an interest coverage ratio. Our ability to meet the financial ratios in such covenants may be affected by a number of risks or events, including the risks described in this Current Report on Form 8-K and events beyond our control. The indenture governing our senior notes also contains restrictive covenants. Any failure by us to comply with these restrictive covenants or the financial and restrictive covenants in our credit agreement could have a material adverse effect on our financial condition, results of operations and debt service capability.

Our access to debt financing at competitive risk-based interest rates is partly a function of our credit ratings. Our current long-term debt ratings are BB with “stable” outlook from Standard & Poor’s Rating Services and Ba3 with “stable” outlook from Moody’s Investors Service. A downgrade to our credit ratings could increase our interest rates, could limit our access to public debt markets, could limit the institutions willing to provide us credit facilities, and could make any future credit facilities or credit facility amendments more costly and/or difficult to obtain.

We had approximately $1.0 billion of debt outstanding as of December 31, 2011, which consisted primarily of a $520 million term loan under our credit agreement maturing in October 2015 and $500 million of senior notes, $250 million of which mature in March 2017 and $250 million of which mature in March 2020. Our ability to make required payments of principal and interest on our debt will depend on our future performance, which, to a certain extent, is subject to general economic, financial, competitive, political and other factors, some of which are beyond our control. As we discuss above, our dependency on contracts with U.S. and foreign government agencies, such as the FMTV contract, subjects us to a variety of risks that, if realized, could materially reduce our revenues, profits and cash flows. In addition, among other risks that we face that could affect our revenues, profits and cash flows, current continued weak economic conditions, declining U.S. defense budgets and tight credit markets could become more severe or prolonged. Accordingly, conditions could arise that could limit our ability to generate sufficient cash flows or access borrowings to enable us to fund our liquidity needs, further limit our financial flexibility or impair our ability to obtain alternative financing sufficient to repay our debt at maturity.

The covenants in our credit agreement and the indenture governing our senior notes, our credit rating, our current debt levels and the current credit market conditions could have important consequences for our operations, including:

- Render us more vulnerable to general adverse economic and industry conditions in our highly cyclical markets or economies generally;
- Require us to dedicate a substantial portion of our cash flow from operations to higher interest costs or higher required payments on debt, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, research and development, stock repurchases, dividends and other general corporate activities;
- Limit our ability to obtain additional financing in the future to fund growth working capital, capital expenditures, new product development expenses and other general corporate requirements;
- Limit our ability to enter into additional foreign currency and interest rate derivative contracts;
- Make us vulnerable to increases in interest rates as a portion of our debt under our credit agreement is at variable rates;
- Limit our flexibility in planning for, or reacting to, changes in our business and the markets we serve;

- Place us at a competitive disadvantage compared to less leveraged competitors; and

- Limit our ability to pursue strategic acquisitions that may become available in our markets or otherwise capitalize on business opportunities if we had additional borrowing capacity.

***Raw material price fluctuations may adversely affect our results.***

We purchase, directly and indirectly through component purchases, significant amounts of steel, petroleum based products and other raw materials annually. Steel, fuel and other commodity prices have historically been highly volatile. Commodity costs rose significantly early in our fiscal year 2011, and there are indications that these costs may increase further in the future due to one or more of the following: a sustained economic recovery, political unrest in certain countries or a weakening U.S. dollar. Increases in commodity costs negatively impact the profitability of orders in backlog as prices on those orders are usually fixed, which we experienced in the access equipment segment in the fourth quarter of fiscal 2011 and the first quarter of fiscal 2012. Furthermore, we largely do business in the defense segment under multi-year firm, fixed-price contracts with the DoD, which typically contain annual price increases. We attempt to limit the risk related to raw material price fluctuations in the defense segment by obtaining firm pricing from suppliers at the time a contract is awarded. However, if these suppliers do not honor their contracts, then we could face margin pressure in our defense business. If we are not able to recover commodity cost increases through price increases to our customers on new orders, then such increases will have an adverse effect on our results of operations. Additionally, if we are unable to negotiate timely component cost decreases commensurate with any decrease in commodity costs, our higher component prices could put us at a material disadvantage as compared to our competition.

***We expect to incur costs and charges as a result of measures such as facilities and operations consolidations and workforce reductions that we expect will reduce costs, and those measures also may be disruptive to our business and may not result in anticipated cost savings.***

We have been consolidating facilities and operations in an effort to make our business more efficient and expect to continue to review our overall manufacturing footprint. For example, we closed a facility and integrated our mobile medical business into our Clearwater, Florida operations during the first quarter of fiscal 2011, and we moved manufacturing production of our Medtec ambulances to our Bradenton, Florida operations during the second quarter of fiscal 2011. Also during the first quarter of fiscal 2011, we announced workforce reductions and other cost reduction measures in our fire & emergency and commercial segments and the consolidation of an access equipment segment facility in Belgium into a Romanian facility, which was largely executed in the fourth quarter of fiscal 2011. During the fourth quarter of fiscal 2011, we closed our Oakes, North Dakota manufacturing plant and consolidated the work performed at that facility into other Oshkosh facilities. During the second quarter of fiscal 2012, we announced the closure of our McIntire, Iowa facility. We expect to consolidate production from this facility into other commercial segment facilities. We have incurred, and expect in the future to incur, additional costs and restructuring charges in connection with such consolidations, workforce reductions and other cost reduction measures that have adversely affected and, to the extent incurred in the future would adversely affect, our future earnings and cash flows. Furthermore, such actions may be disruptive to our business, as we are experiencing with the facility consolidations into our Bradenton, Florida operations. This may result in production inefficiencies, product quality issues, late product deliveries or lost orders as we begin production at consolidated facilities, which would adversely impact our sales levels, operating results and operating margins. In addition, we may not realize the cost savings that we expect to realize as a result of such actions.

***We may experience losses in excess of our recorded reserves for doubtful accounts, finance receivables, notes receivable and guarantees of indebtedness of others.***

As of December 31, 2011, we had consolidated gross receivables of $968.9 million. In addition, we were a party to agreements in the access equipment segment whereby we estimate our maximum exposure to be $40.3 million under guarantees of customer indebtedness to third parties aggregating approximately $136.9 million. We evaluate the collectability of open accounts, finance receivables, notes receivable and our guarantees of indebtedness of others based on a combination of factors and establish reserves based on our estimates of potential losses. In circumstances where we believe it is probable that a specific customer will have difficulty meeting its

financial obligations, a specific reserve is recorded to reduce the net recognized receivable to the amount we expect to collect, and/or we recognize a liability for a guarantee we expect to pay, taking into account any amounts that we would anticipate realizing if we are forced to repossess the equipment that supports the customer's financial obligations to us. We also establish additional reserves based upon our perception of the quality of the current receivables, the current financial position of our customers and past collections experience. Continued economic weakness and tight credit markets may result in additional requirements for specific reserves. During periods of economic weakness, the collateral underlying our guarantees of indebtedness of customers or receivables can decline sharply, thereby increasing our exposure to losses. We also face a concentration of credit risk as JLG's ten largest debtors at December 31, 2011 represented approximately 21% of our consolidated gross receivables. Some of these customers are highly leveraged. In the future, we may incur losses in excess of our recorded reserves if the financial condition of our customers were to deteriorate further or the full amount of any anticipated proceeds from the sale of the collateral supporting our customers' financial obligations is not realized. Our cash flows and overall liquidity may be materially adversely affected if any of the financial institutions that finance our customer receivables become unable or unwilling, due to current economic conditions, a weakening of our or their financial position or otherwise, to continue providing such credit.

***Systemic failures that the customer may identify could exceed recorded reserves or negatively affect our ability to win future business with the DoD or other foreign military customers.***

As a result of the accelerated timetable from product design to full-scale production, the accelerated production schedule and limited field testing under the M-ATV contract and our ramp up to full-scale production of FMTVs, these vehicles could encounter systemic failures during fielding and use of the vehicles for which we may have responsibility. Additionally, we did not design the FMTV portfolio of trucks and trailers, and the design for this portfolio includes requirements that have caused us to implement manufacturing processes that we have not used extensively under previous contracts. If we do not implement these manufacturing processes correctly, then there could be systemic failures for which we may have responsibility. We have established reserves for the estimated cost of such systemic-type repairs based upon historical warranty rates of other defense programs in which we participate. If systemic issues arise, rectification costs could be in excess of the established reserves. If the DoD identifies systemic issues, this situation could impact our ability to win future business with the DoD or other foreign military customers, which would adversely affect our future earnings and cash flows.

***A disruption or termination of the supply of parts, materials, components and final assemblies from third-party suppliers could delay sales of our vehicles and vehicle bodies.***

We have experienced, and may in the future experience, significant disruption or termination of the supply of some of our parts, materials, components and final assemblies that we obtain from sole source suppliers or subcontractors. We may also incur a significant increase in the cost of these parts, materials, components or final assemblies. These risks are increased in a weak economic environment with tight credit conditions and when demand increases coming out of an economic downturn. Specifically, we have recently experienced a number of parts shortages at our access equipment segment as demand for certain components currently exceeds suppliers' capacity. Such disruptions, terminations or cost increases have resulted and could further result in manufacturing inefficiencies due to us having to wait for parts to arrive on the production line, could delay sales and could result in a material adverse effect on our net sales, financial condition, profitability and/or cash flows.

***Our objective is to expand international operations, the conduct of which subjects us to risks that may have a material adverse effect on our business.***

Expanding international sales is a part of our growth strategy. Our outlook depends in part upon increases in international orders and sales that may not materialize. International operations and sales are subject to various risks, including political, religious and economic instability, local labor market conditions, the imposition of foreign tariffs and other trade barriers, the impact of foreign government regulations and the effects of income and withholding taxes, governmental expropriation and differences in business practices. We may incur increased costs and experience delays or disruptions in product deliveries and payments in connection with international manufacturing and sales that could cause loss of revenues and earnings. In addition, expansion into foreign markets requires the establishment of distribution networks and may require modification of products to meet local

requirements or preferences. Establishment of distribution networks or modification to the design of our products to meet local requirements and preferences may take longer or be more costly than we anticipate and could have a material adverse effect on our ability to achieve international sales growth. In addition, our entry into certain markets that we wish to enter may require us to establish a joint venture. Identifying an appropriate joint venture partner and creating a joint venture could be more time consuming, more costly and more difficult than we anticipate.

As a result of our international operations and sales, we are subject to the Foreign Corrupt Practices Act ("FCPA") and other laws that prohibit improper payments or offers of payments to foreign governments and their officials for the purpose of obtaining or retaining business. Our international activities create the risk of unauthorized payments or offers of payments in violation of the FCPA by one of our employees, consultants, sales agents or distributors, because these parties are not always subject to our control. Any violations of the FCPA could result in significant fines, criminal sanctions against us or our employees, and prohibitions on the conduct of our business, including our business with the U.S. government. We are also increasingly subject to export control regulations, including, without limitation, the United States Export Administration Regulations and the International Traffic in Arms Regulations. Unfavorable changes in the political, regulatory and business climate could have a material adverse effect on our net sales, financial condition, profitability and/or cash flows.

***We are subject to fluctuations in exchange rates associated with our non-U.S. operations that could adversely affect our results of operations and may significantly affect the comparability of our results between financial periods.***

For the fiscal year ended September 30, 2011, approximately 17% of our net sales were attributable to products sold outside of the United States, including approximately 14% that involved export sales from the United States. The majority of export sales are denominated in U.S. dollars. Sales outside the United States are typically made in the local currencies of those countries. Fluctuations in foreign currency can have an adverse impact on our sales and profits as amounts that are measured in foreign currency are translated back to U.S. dollars. We have sales of inventory denominated in U.S. dollars to certain of our subsidiaries that have functional currencies other than the U.S. dollar. The exchange rates between many of these currencies and the U.S. dollar have fluctuated significantly in recent years and may fluctuate significantly in the future. Such fluctuations, in particular those with respect to the Euro, the Chinese Renminbi, the Canadian dollar, the Brazilian real and the Australian dollar, may have a material effect on our net sales, financial condition, profitability and/or cash flows and may significantly affect the comparability of our results between financial periods. Any appreciation in the value of the U.S. dollar in relation to the value of the local currency will adversely affect our revenues from our foreign operations when translated into U.S. dollars. Similarly, any appreciation in the value of the U.S. dollar in relation to the value of the local currency of those countries where our products are sold will increase our costs in our foreign operations, to the extent such costs are payable in foreign currency, when translated into U.S. dollars.

***Changes in regulations could adversely affect our business.***

Both our products and the operation of our manufacturing facilities are subject to statutory and regulatory requirements. These include environmental requirements applicable to manufacturing and vehicle emissions, government contracting regulations and domestic and international trade regulations. A significant change to these regulatory requirements could substantially increase manufacturing costs or impact the size or timing of demand for our products, all of which could make our business results more variable.

In particular, climate change is receiving increasing attention worldwide. Many scientists, legislators and others attribute climate change to increased levels of greenhouse gases, including carbon dioxide, which has led to significant legislative and regulatory efforts to limit greenhouse gas emissions. Congress has previously considered and may in the future implement restrictions on greenhouse gas emissions through a cap-and-trade system under which emitters would be required to buy allowances to offset emissions of greenhouse gas. In addition, several states, including states where we have manufacturing plants, are considering various greenhouse gas registration and reduction programs. Our manufacturing plants use energy, including electricity and natural gas, and certain of our plants emit amounts of greenhouse gas that may be affected by these legislative and regulatory efforts. Greenhouse gas regulation could increase the price of the electricity we purchase, increase costs for our use of natural gas, potentially restrict access to or the use of natural gas, require us to purchase allowances to offset our

own emissions or result in an overall increase in our costs of raw materials, any one of which could increase our costs, reduce our competitiveness in a global economy or otherwise negatively affect our business, operations or financial results. While additional regulation of emissions in the future appears likely, it is too early to predict how this regulation will ultimately affect our business, operations or financial results.

***Disruptions within our dealer network could adversely affect our business.***

Although we sell the majority of our products directly to the end user, we market, sell and service products through a network of independent dealers in the fire & emergency segment and in a limited number of markets for the access equipment and commercial segments. As a result, our business with respect to these products is influenced by our ability to establish and manage new and existing relationships with dealers. While we have relatively low turnover of dealers, from time to time, we or a dealer may choose to terminate the relationship as a result of difficulties that our independent dealers experience in operating their businesses due to economic conditions or other factors, or as a result of an alleged failure by us or an independent dealer to comply with the terms of our dealer agreement. We do not believe our business is dependent on any single dealer, the loss of which would have a sustained material adverse effect upon our business. However, disruption of dealer coverage within a specific state or other geographic market could cause difficulties in marketing, selling or servicing our products and have an adverse effect on our business, operating results or financial condition.

In addition, our ability to terminate our relationship with a dealer is limited due to state dealer laws, which generally provide that a manufacturer may not terminate or refuse to renew a dealer agreement unless it has first provided the dealer with required notices. Under many state laws, dealers may protest termination notices or petition for relief from termination actions. Responding to these protests and petitions may cause us to incur costs and, in some instances, could lead to litigation resulting in lost opportunities with other dealers or lost sales opportunities, which may have an adverse effect on our business, operating results or financial condition.

***Our business could be negatively affected as a result of actions of activist shareholders.***

Certain funds affiliated with Carl Icahn conducted a proxy contest with respect to the election of directors at our 2012 Annual Meeting of Shareholders. Responding to proxy contests such as this and other actions by activist shareholders can be costly and time-consuming, disrupt our operations and divert the attention of management and our employees. Perceived uncertainties among current and potential customers, employees and other parties as to our future direction may result in the loss of potential business opportunities and may make it more difficult to attract and retain qualified personnel and business partners. Furthermore, if there is disagreement among our directors about the direction of our business, it could impair our ability to effectively and timely implement our MOVE strategy. These actions could also cause our stock price to experience periods of volatility.

Item 9.01 . Financial Statements and Exhibits .

(a) Not applicable.

(b) Not applicable.

(c) Not applicable.

(d) Exhibits . The following exhibits are being furnished herewith:

(99.1) Oshkosh Corporation Press Release dated January 31, 2012.

(99.2) Script for conference call held January 31, 2012.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OSHKOSH CORPORATION

Date: January 31, 2012

By: /S/ David M. Sagehorn
David M. Sagehorn
Executive Vice President and
Chief Financial Officer

OSHKOSH CORPORATION

Exhibit Index to Current Report on Form 8-K
Dated January 31, 2012

| Exhibit Number | |
|---|---|
| (99.1) | Oshkosh Corporation Press Release dated January 31, 2012. |
| (99.2) | Script for conference call held January 31, 2012. |

**Exhibit 99.1**

OSHKOSH CORPORATION

**FOR IMMEDIATE RELEASE**

For more information, contact:


| | |
|---|---|
| Financial: | Patrick Davidson<br>Vice President, Investor Relations<br>920.966.5939 |
| Media: | John Daggett<br>Vice President, Communications<br>920.233.9247 |


# OSHKOSH CORPORATION REPORTS FISCAL 2012 FIRST QUARTER RESULTS

***FMTV Program Profitable for the First Quarter of Fiscal 2012***

***Access Equipment First Quarter Orders Increased 19 Percent Over Prior Year First Quarter***

**OSHKOSH, WI — (January 31, 2012)** — Oshkosh Corporation (NYSE: OSK) today reported fiscal 2012 first quarter net income attributable to Oshkosh Corporation of $38.9 million, or $0.42 per diluted share, compared to $99.6 million, or $1.09 per diluted share, in the first quarter of fiscal 2011. Results for the first quarter of fiscal 2012 included $0.02 per share of expenses, net of income tax benefits, related to the proxy contest in connection with the Company's 2012 annual shareholders' meeting, and $0.04 per share, net of income tax benefits, of foreign currency transaction losses. Results for the first quarter of fiscal 2011 included $0.13 per share of restructuring charges, net of income tax benefits. Results for the first quarter of fiscal 2012 and 2011 included benefits related to discrete tax items of $0.07 and $0.10 per share, respectively.

Consolidated net sales in the first quarter of fiscal 2012 were $1.88 billion, an increase of 10.5 percent compared to the prior year first quarter. Higher Family of Medium Tactical Vehicles (FMTV) sales and increased demand for aerial work platforms and telehandlers in the access equipment segment were offset in part by expected declines in sales of Family of Heavy Tactical Vehicles (FHTV) and aftermarket parts for the MRAP-All Terrain Vehicle (M-ATV).

Consolidated operating income in the first quarter of fiscal 2012 was $75.3 million, or 4.0 percent of sales, compared to $168.7 million, or 9.9 percent of sales, in the prior year first quarter. The decrease in consolidated operating income was primarily attributable to the defense segment where an adverse product mix negatively impacted operating income comparisons.

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“We made good progress during the first quarter on a number of initiatives underlying our MOVE strategy to deliver value for all shareholders,” said Charles L. Szews, Oshkosh Corporation president and chief executive officer. “We outperformed our most recent expectations by achieving profitability on the FMTV program in the first quarter and have solid plans to continue to raise FMTV margins. Our integrated project teams are identifying product, process and overhead cost reductions and executing related implementation plans. In addition, our international sales increased 40 percent in the first quarter.

“Our access equipment segment reported strong orders in the first quarter, and we expect our previously announced five percent price increase will benefit margins in this segment during the remainder of fiscal 2012.

“Low municipal spending, lower airport product shipments and operational challenges at our Florida operations hurt first quarter performance in our fire & emergency segment,” continued Szews. “We are making progress in Florida and expect to substantially improve performance at this operation as the year progresses. Our commercial segment, however, delivered a higher operating income margin in the quarter on improved manufacturing efficiencies as a result of lean initiatives and improved refuse collection vehicle volume.

“We previously announced that fiscal 2012 will be a year of investing in our MOVE strategy to drive improved performance. We believe that initiatives aimed at improving our cost structure, driving earnings through launching new products and growing our sales in emerging markets will deliver earnings growth in 2013 and beyond. We are proceeding with urgency to deliver value from these initiatives for all shareholders,” stated Szews.

Factors affecting first quarter results for the Company’s business segments included:

**Defense** — Defense segment sales decreased 5.6 percent to $1.05 billion for the first quarter of fiscal 2012 compared with the prior year first quarter. The decrease was primarily due to lower FHTV vehicle and M-ATV aftermarket parts sales volumes offset in part by higher production of FMTVs. In the first quarter of the prior year, the Company was only beginning initial low rate production under the FMTV contract.

In the first quarter of fiscal 2012, defense segment operating income decreased 57.6 percent to $92.4 million, or 8.8 percent of sales, compared to prior year first quarter operating income of $217.9 million, or 19.6 percent of sales. The decrease in operating income was largely due to an adverse product mix and lower sales volumes. The Company reported a profit of $4.0 million on the FMTV contract during the first quarter of fiscal 2012.

**Access Equipment** — Access equipment segment sales to external customers increased 73.8 percent to $505.1 million for the first quarter of fiscal 2012 compared to the prior year first quarter. The Company realized double-digit sales increases in all regions of the world and across all product lines. These results were driven by replacement of aged equipment in North America and parts of Europe as well as economic growth and increased product adoption in emerging markets. In addition to sales to external customers, access equipment segment sales in the first quarter of fiscal 2012 and 2011 included sales related to production of M-ATV units for the defense segment of $122.6 million and $36.7 million, respectively. Including sales to the defense segment, access equipment segment sales increased 91.8 percent for the first quarter of fiscal 2012 compared with the prior year quarter.

The access equipment segment reported operating income of $13.1 million, or 2.1 percent of sales, for the first quarter of fiscal 2012 compared to an operating loss of $16.7 million, or 5.1 percent of sales, in the prior year quarter. The increase in operating results reflected higher volume with external customers and lower facility rationalization costs, which were largely offset by an increase in raw material costs and increased new product development spending. Further, increased intersegment sales of M-ATVs at mid single-digit

margins benefited operating income in the first quarter of fiscal 2012. Operating results in the first quarter of fiscal 2011 included $11.3 million of facility rationalization costs related to the integration of manufacturing in Europe.

**Fire & Emergency** — Fire & emergency segment sales for the first quarter of fiscal 2012 decreased 19.1 percent to $163.0 million compared with the prior year quarter. The decrease in sales primarily reflected lower shipments of airport products. First quarter fiscal 2011 revenues included the sale of 24 aircraft rescue and firefighting vehicles to airports in Pakistan.

The fire & emergency segment reported an operating loss of $10.0 million, or 6.2 percent of sales, for the first quarter of fiscal 2012 compared to operating income of $2.6 million, or 1.3 percent of sales, in the prior year quarter. Operating results during the first quarter of fiscal 2012 were negatively impacted by lower sales volume and inefficiencies related to the transition of production of ambulances and mobile medical units to the Company's facilities in Florida.

**Commercial** — Commercial segment sales increased 43.6 percent to $171.6 million in the first quarter of fiscal 2012 compared to the prior year quarter. The increase in sales was primarily attributable to increased demand for refuse collection vehicles. The Company believes that customers accelerated vehicle purchases to receive a bonus depreciation tax deduction, which expired at the end of calendar 2011.

The commercial segment reported operating income of $6.9 million, or 4.0 percent of sales, for the first quarter of fiscal 2012 compared to an operating loss of $7.7 million, or 6.5 percent of sales, in the prior year quarter. The increase in operating income primarily resulted from the increased volume and related improved absorption, improved manufacturing efficiencies driven by lean initiatives and improved product mix.

**Corporate** — Corporate operating expenses decreased $4.1 million to $27.1 million for the first quarter of fiscal 2012 compared to the prior year quarter. The decrease in corporate operating expenses was primarily the result of lower compensation and health care benefit costs, including one-time costs in the first quarter of fiscal 2011 related to the retirement of the Company's former chief executive officer, offset in part by costs of $2.8 million in the first quarter of fiscal 2012 related to the proxy contest.

**Interest Expense and Other, Net** — Interest expense net of interest income decreased $5.8 million to $20.0 million in the first quarter of fiscal 2012 compared to the prior year quarter. The decrease was largely due to the expiration of the Company's interest rate swap in December 2011. First quarter fiscal 2012 and 2011 interest expense included $2.2 million and $7.5 million, respectively, of expense related to the Company's interest rate swap. Average debt outstanding decreased from $1.16 billion during the first quarter of fiscal 2011 to $1.03 billion during the first quarter of fiscal 2012. The Company repaid $40.0 million of debt during the first quarter of fiscal 2012. First quarter fiscal 2012 results included $5.4 million of foreign currency transaction losses, primarily related to fluctuations in the Australian dollar and Brazilian real.

**Provision for Income Taxes** — The Company recorded income tax expense of $11.1 million in the first quarter of fiscal 2012, or 22.4 percent of pre-tax income, compared to 30.8 percent of pre-tax income in the prior year quarter. The first quarter fiscal 2012 effective tax rate benefited from $6.7 million of discrete items generally related to foreign tax audits, an adjustment to reflect positions taken on previously filed tax returns and the expiration of statutes of limitations. The first quarter fiscal 2011 effective tax rate included discrete tax benefits associated with the December 2010 reinstatement of the U.S. research and development tax credit, the impact of benefits associated with foreign tax credits related to a decision to repatriate earnings previously fully reinvested and reductions of a tax reserve associated with the expiration of statutes of limitations.

**Conference Call**

The Company will comment on first quarter earnings during a conference call at 9:00 a.m. EST this morning. Slides for the call will be available on the Company's website beginning at 7:00 a.m. EST this morning. The call will be webcast simultaneously over the Internet. To access the webcast, listeners can go to www.oshkoshcorporation.com at least 15 minutes prior to the event and follow instructions for listening to the broadcast. An audio replay of the call and related question and answer session will be available for 12 months at this website.

**Forward-Looking Statements**

This press release contains statements that the Company believes to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact, including, without limitation, statements regarding the Company's future financial position, business strategy, targets, projected sales, costs, earnings, capital expenditures, debt levels and cash flows, and plans and objectives of management for future operations, are forward-looking statements. When used in this press release, words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "project" or "plan" or the negative thereof or variations thereon or similar terminology are generally intended to identify forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, assumptions and other factors, some of which are beyond the Company's control, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. These factors include the expected level and timing of the DoD's procurement of products and services and funding thereof, including the impact of the DoD's allocation of certain tires which will restrict and delay certain FHTV sales; risks related to reductions in government expenditures in light of U.S. defense budget pressures and an uncertain DoD tactical wheeled vehicle strategy; the cyclical nature of the Company's access equipment, commercial and fire & emergency markets, especially during periods of global economic uncertainty, lower municipal spending and tight credit markets; the Company's ability to produce vehicles under the FMTV contract at targeted margins; the duration of the ongoing global economic weakness, which could lead to additional impairment charges related to many of the Company's intangible assets and/or a slower recovery in the Company's cyclical businesses than equity market expectations; the potential for the U.S. government to competitively bid the Company's Army and Marine Corps contracts; the consequences of financial leverage, which could limit the Company's ability to pursue various opportunities; increasing commodity and other raw material costs, particularly in a sustained economic recovery; the ability to pass on to customers price increases to offset higher input costs; risks related to costs and charges as a result of facilities consolidation and alignment, including that anticipated cost savings may not be achieved; risks related to the collectability of receivables, particularly for those businesses with exposure to construction markets; the cost of any warranty campaigns related to the Company's products; risks related to production or shipment delays arising from quality or production issues; risks associated with international operations and sales, including foreign currency fluctuations and compliance with the Foreign Corrupt Practices Act; the potential for increased costs relating to compliance with changes in laws and regulations; risks related to disruptions in the Company's distribution networks; risks related to actions of activist shareholders; and the Company's ability to successfully execute on its strategic road map and meet its long-term financial goals. Additional information concerning these and other factors is contained in the Company's filings with the Securities and Exchange Commission, including the Form 8-K filed today. All forward-looking statements speak only as of the date of this press release. The Company assumes no

obligation, and disclaims any obligation, to update information contained in this press release. Investors should be aware that the Company may not update such information until the Company's next quarterly earnings conference call, if at all.

**About Oshkosh Corporation**

Oshkosh Corporation is a leading designer, manufacturer and marketer of a broad range of specialty access equipment, commercial, fire & emergency and military vehicles and vehicle bodies. Oshkosh Corporation manufactures, distributes and services products under the brands of Oshkosh ®, JLG ®, Pierce ®, McNeilus ®, Medtec ®, Jerr-Dan ®, Oshkosh Specialty Vehicles, Frontline ™, SMIT ™, CON-E-CO ®, London ® and IMT ®. Oshkosh products are valued worldwide in businesses where high quality, superior performance, rugged reliability and long-term value are paramount. For more information, log on to www.oshkoshcorporation.com .

®, ™ All brand names referred to in this news release are trademarks of Oshkosh Corporation or its subsidiary companies.

**OSHKOSH CORPORATION**
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**
**(Unaudited; in millions, except per share amounts)**

| | Three Months Ended December 31, | |
|---|---|---|
| | 2011 | 2010 |
| Net sales | $ 1,878.6 | $ 1,700.8 |
| Cost of sales | 1,656.1 | 1,391.8 |
| Gross income | 222.5 | 309.0 |
| | | |
| Operating expenses: | | |
| Selling, general and administrative | 132.3 | 125.0 |
| Amortization of purchased intangibles | 14.9 | 15.3 |
| Total operating expenses | 147.2 | 140.3 |
| Operating income | 75.3 | 168.7 |
| | | |
| Other income (expense): | | |
| Interest expense | (20.6) | (26.5) |
| Interest income | 0.6 | 0.7 |
| Miscellaneous, net | (5.6) | (0.3) |
| Income from operations before income taxes and equity in earnings of unconsolidated affiliates | 49.7 | 142.6 |
| Provision for income taxes | 11.1 | 44.0 |
| Income from operations before equity in earnings of unconsolidated affiliates | 38.6 | 98.6 |
| Equity in earnings of unconsolidated affiliates | 0.7 | 0.4 |
| Net income | 39.3 | 99.0 |
| Net (income) loss attributable to the noncontrolling interest | (0.4) | 0.6 |
| Net income attributable to Oshkosh Corporation | $ 38.9 | $ 99.6 |
| | | |
| Earnings per share attributable to Oshkosh Corporation common shareholders | | |
| Basic | $ 0.43 | $ 1.10 |
| Diluted | $ 0.42 | $ 1.09 |
| | | |
| Basic weighted average shares outstanding | 91.2 | 90.6 |
| Effect of dilutive stock options and other equity-based compensation awards | 0.6 | 0.8 |
| Diluted weighted average shares outstanding | 91.8 | 91.4 |

**OSHKOSH CORPORATION**
**CONDENSED CONSOLIDATED BALANCE SHEETS**
**(Unaudited; in millions)**

| | December 31, 2011 | September 30, 2011 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 440.3 | $ 428.5 |
| Receivables, net | 929.7 | 1,089.1 |
| Inventories, net | 763.6 | 786.8 |
| Deferred income taxes | 61.2 | 72.9 |
| Other current assets | 72.2 | 77.3 |
| Total current assets | 2,267.0 | 2,454.6 |
| Investment in unconsolidated affiliates | 32.4 | 31.8 |
| Property, plant and equipment: | | |
| Property, plant and equipment | 831.0 | 834.5 |
| Accumulated depreciation | (454.3) | (445.8) |
| Property, plant and equipment, net | 376.7 | 388.7 |
| Goodwill | 1,036.6 | 1,041.5 |
| Purchased intangible assets, net | 823.0 | 838.7 |
| Other long-term assets | 61.4 | 71.6 |
| Total assets | $ 4,597.1 | $ 4,826.9 |
| **LIABILITIES AND EQUITY** | | |
| Current liabilities: | | |
| Revolving credit facility and current maturities of long-term debt | $ 16.4 | $ 40.1 |
| Accounts payable | 634.6 | 768.9 |
| Customer advances | 396.0 | 468.6 |
| Payroll-related obligations | 83.3 | 110.7 |
| Income taxes payable | 5.9 | 5.3 |
| Accrued warranty | 79.2 | 75.0 |
| Deferred revenue | 60.2 | 38.4 |
| Other current liabilities | 168.5 | 184.8 |
| Total current liabilities | 1,444.1 | 1,691.8 |
| Long-term debt, less current maturities | 1,003.8 | 1,020.0 |
| Deferred income taxes | 162.0 | 171.3 |
| Other long-term liabilities | 353.9 | 347.2 |
| Commitments and contingencies | | |
| Equity: | | |
| Oshkosh Corporation shareholders' equity | 1,632.8 | 1,596.5 |
| Noncontrolling interest | 0.5 | 0.1 |
| Total equity | 1,633.3 | 1,596.6 |
| Total liabilities and equity | $ 4,597.1 | $ 4,826.9 |

**OSHKOSH CORPORATION**
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**
**(Unaudited; in millions)**

| | Three Months Ended December 31, | |
|---|---|---|
| | 2011 | 2010 |
| **Operating activities:** | | |
| Net income | $ 39.3 | $ 99.0 |
| Depreciation and amortization | 33.7 | 35.0 |
| Deferred income taxes | 0.7 | 6.7 |
| Other non-cash adjustments | 2.1 | 5.4 |
| Changes in operating assets and liabilities | (13.9) | 47.3 |
| Net cash provided by operating activities | 61.9 | 193.4 |
| | | |
| **Investing activities:** | | |
| Additions to property, plant and equipment | (14.2) | (16.8) |
| Additions to equipment held for rental | (3.5) | (2.8) |
| Proceeds from sale of equipment held for rental | 1.1 | 2.6 |
| Other investing activities | 2.4 | (2.1) |
| Net cash used by investing activities | (14.2) | (19.1) |
| | | |
| **Financing activities:** | | |
| Repayment of long-term debt | (40.0) | (65.1) |
| Repayments under revolving credit facility, net | — | (50.0) |
| Other financing activities | 0.1 | 1.1 |
| Net cash used by financing activities | (39.9) | (114.0) |
| | | |
| Effect of exchange rate changes on cash | 4.0 | (0.5) |
| Increase in cash and cash equivalents | 11.8 | 59.8 |
| Cash and cash equivalents at beginning of period | 428.5 | 339.0 |
| Cash and cash equivalents at end of period | $ 440.3 | $ 398.8 |

**OSHKOSH CORPORATION**
**SEGMENT INFORMATION**
**(Unaudited; in millions)**

| | Three Months Ended December 31, 2011 | | | Three Months Ended December 31, 2010 | | |
|---|---|---|---|---|---|---|
| | External Customers | Intersegment | Net Sales | External Customers | Intersegment | Net Sales |
| **Defense** | $ 1,050.2 | $ 0.8 | $ 1,051.0 | $ 1,111.8 | $ 1.9 | $ 1,113.7 |
| **Access equipment** | | | | | | |
| Aerial work platforms | 252.9 | — | 252.9 | 119.9 | — | 119.9 |
| Telehandlers | 148.4 | — | 148.4 | 85.3 | — | 85.3 |
| Other | 103.8 | 122.6 | 226.4 | 85.4 | 36.7 | 122.1 |
| Total access equipment | 505.1 | 122.6 | 627.7 | 290.6 | 36.7 | 327.3 |
| **Fire & emergency** | 158.3 | 4.7 | 163.0 | 197.1 | 4.4 | 201.5 |
| **Commercial** | | | | | | |
| Concrete placement | 46.7 | — | 46.7 | 34.5 | — | 34.5 |
| Refuse collection | 95.3 | — | 95.3 | 50.2 | — | 50.2 |
| Other | 23.0 | 6.6 | 29.6 | 16.6 | 18.2 | 34.8 |
| Total commercial | 165.0 | 6.6 | 171.6 | 101.3 | 18.2 | 119.5 |
| Intersegment eliminations | — | (134.7) | (134.7) | — | (61.2) | (61.2) |
| Consolidated | $ 1,878.6 | $ — | $ 1,878.6 | $ 1,700.8 | $ — | $ 1,700.8 |

| | Three Months Ended December 31, | |
|---|---|---|
| | 2011 | 2010 |
| **Operating income (loss):** | | |
| **Defense** | $ 92.4 | $ 217.9 |
| **Access equipment** | 13.1 | (16.7) |
| **Fire & emergency** | (10.0) | 2.6 |
| **Commercial** | 6.9 | (7.7) |
| **Corporate** | (27.1) | (31.2) |
| **Intersegment eliminations** | — | 3.8 |
| **Consolidated** | $ 75.3 | $ 168.7 |

| | December 31, | |
|---|---|---|
| | 2011 | 2010 |
| **Period-end backlog:** | | |
| **Defense** | $ 4,258.8 | $ 5,391.9 |
| **Access equipment** | 785.3 | 379.9 |
| **Fire & emergency** | 522.6 | 464.0 |
| **Commercial** | 120.4 | 92.7 |
| **Consolidated** | $ 5,687.1 | $ 6,328.5 |

# # #

**Exhibit 99.2**

First Quarter Fiscal 2012 Earnings
Conference Call
January 31, 2012

**Pat Davidson**

Good morning and thanks for joining us. Earlier today, we published our first quarter results for fiscal 2012. A copy of the release is available on our website at www.oshkoshcorporation.com . Today's call is being webcast and is accompanied by a slide presentation, which is also available on our website. The audio replay and slide presentation will be available on our website for approximately 12 months. Please refer now to slide 2 of that slide presentation.

Our remarks that follow, including answers to your questions, include statements that we believe to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements are subject to risks that could cause actual results to be materially different. These risks include, among others, matters that we have described in our Form 8-K filed with the SEC this morning and other filings we make with the SEC. We disclaim any obligation to update these forward-looking statements, which may not be updated until our next quarterly earnings conference call, if at all.

Presenting today for Oshkosh Corporation will be Charlie Szews, President and Chief Executive Officer, and Dave Sagehorn, Executive Vice President and Chief Financial Officer.

Let's begin by turning to slide 3 and I'll turn it over to Charlie.

**Charlie Szews**

***Oshkosh Q1 FY12 Results***

Thank you, Pat.

Good morning. Over the last two months, we have probably talked to most of you on this call in connection with the proxy contest, for which we do not yet have the final results. While we have divergent views among our shareholders with regard

to what our strategy should be, it is fair to say that all shareholders want and expect management and the Board to deliver superior value creation for shareholders, and that is our clear objective. I intend, along with our chairman, Dick Donnelly, to share your feedback and ideas we received during this process with our full Board and management team and to respond over the next few months. We are mission driven to serve you - our shareholders - with urgency.

Overall, total Company sales increased 10.5% to $1.88 billion for the first quarter of fiscal 2012 compared to the first quarter of fiscal 2011. EPS of $0.42 in the quarter was lower than the first quarter of fiscal 2011, due primarily to an adverse sales mix in our defense segment, while our access equipment segment experienced another quarter of higher year-over-year sales and orders.

Our actions to develop and implement the MOVE strategy enabled us to make important progress during the first quarter. One of our most significant highlights was achieving profitability on our FMTV contract. We first announced this a few weeks back, but it bears repeating as the FMTV program is an important part of our defense business. Through hard work and strong execution by our 11 integrated project teams, we were able to generate a profit one quarter earlier than we had most recently estimated.

In the access equipment segment, we introduced a new ten meter rental scissor and a compact crawler boom for Asian markets. In the commercial segment, we continued to analyze our footprint requirements resulting in our decision earlier this month to rationalize a smaller production facility. In the fire & emergency segment, we downsized an additional 70 positions. And, overall, our international sales increased 40% to 19.5% of sales in the quarter.

In our recent meetings with shareholders, we heard the message that shareholders would like us to provide more MOVE targets to measure our progress. As we go through our fiscal 2012, we'll work on ways to provide targets. But, I will reiterate that our targeted 250 basis point improvement in consolidated operating margins from our cost reduction initiatives is something we believe we can achieve even if we don't see any improvement in our end markets. By the way, we do expect to see improvements in our non-defense markets in the coming years. And, we do believe we will deliver consistent international sales growth.

Let’s talk a little bit about our current market conditions. Please turn to slide 4.

***Market Conditions***

The President signed the fiscal year 2012 defense budget a few weeks ago, providing solid FHTV and FMTV funding in support of our sales in fiscal 2013. The Administration has developed a new national defense strategy that is being implemented with the fiscal year 2013 budget. Program details are expected to be released on February 13.

While there is some uncertainty regarding future levels of U.S. defense spending, we are busier than ever developing solutions to win multiple new programs that we believe will move forward. For example, we are competing for the Canadian TAPV and the MSVS programs. These are two opportunities in which the Canadian Armed Forces are looking for an MRAP-type high mobility vehicle and a medium payload truck, respectively. We believe we have excellent solutions and are pleased to remain in the running to win both of these programs. The TAPV program is currently in the bid evaluation phase. And, the request for proposal for the MSVS program is expected to be released in the very near future. We expect awards for these programs to be announced in June 2012 and February 2013, respectively. We will also be submitting a bid for the Engineering and Manufacturing Development phase of the JLTV program. The final RFP for this phase was released on January 26, 2012 with a contract award anticipated in June 2012. We have been testing our vehicle for this phase of the program for months and believe that we have an excellent solution for the customer. And, we are actively pursuing sales of up to 3,000 M-ATVs across the Middle East and North Africa.

I would also like to point out that we received the Army’s bridge contract for our FHTV program during the quarter. This contract, along with the FMTV contract, assures a strong base of business for our defense segment through fiscal 2014. And importantly, we retain the design rights to the FHTV products.

Overall, access equipment market conditions generally continue to recover. In North America, replacement demand to reduce fleet ages continued during the quarter, utilization rates generally remained at very high levels and the national rental companies have made positive comments about their outlook. United Rentals and RSC recently filed various documents with the SEC as part of their planned combination. Both had very positive things to say about their outlook for the next few years. Both have high utilization rates in their access equipment fleets.

And both have continued to place orders since the announcement of their combination. We've also recently seen more activity from the independent rental channel, which had largely been on the sidelines until now.

Europe is a mixed bag. We've seen relative strength in the last few quarters in northern Europe. But, as expected, southern Europe remains weak. Overall, as the quarter progressed our European customers became more cautious as the uncertainty over the economy in Europe lingered. However, we continue to see positive signs in emerging markets. Wilson Jones, president of our access equipment segment, recently returned from a trip to South America. Wilson reported that customers in that region of the world remain optimistic about the access equipment market. And, we're hearing similar comments from other parts of the world. To summarize, we like the outlook for the access equipment market.

We have had good success implementing our previously announced price increase in this segment and expect that we'll see the benefits of this action on operating income margins starting in our second quarter.

Similar to last quarter, the U.S. fire truck market continued to experience weak demand, with sales below 3,000 units on a trailing twelve month basis. At this time, we don't believe we will see any significant improvement in this market before fiscal 2013 at the earliest. In response, we are redoubling our efforts to secure international sales in the fire & emergency segment. We have made some important breakthroughs recently in Europe, which had previously been unreceptive to U.S. products, with new or pending orders in Spain, the United Kingdom and Poland. And, orders from customers in Asia, especially China, continue to improve. The international sales cycle takes longer, but we believe that the investments we're making now in pursuing international opportunities will pay off in higher sales and profits in the future.

Our commercial segment reported a solid quarter as we delivered increased sales of RCVs. Last quarter, we talked about RCV demand picking up ahead of calendar year 2012 to take advantage of bonus depreciation deductions. And, that's the way the quarter played out. The trend toward CNG-powered units continued and we remain a leader in this business. Finally, while I won't say that demand is back, we did post higher concrete mixer sales in the quarter compared to the prior year first quarter, which is an encouraging development.

Let's turn to slide 5 and we'll provide an update on our operations initiatives.

***Operations Update***

As I mentioned earlier, we made strong progress on the FMTV program during the quarter enabling us to report a profit on this program ahead of our most recent expectations. This was due to strong execution, arising largely from a continued reduction in manufacturing hours and a reduced reliance on outside service providers. We continued to increase our production rates on this program and exited the quarter near our targeted peak production rates. Now that we have achieved profitability, we'll continue to work to improve FMTV margins, similar to what we've done on other defense programs.

Turning to access equipment, we have largely completed restructuring activities in our European factories that we initiated in fiscal 2011. To refresh your memories, we consolidated some of the work in our Belgian and Romanian operations. Production is on schedule and we expect to realize cost savings from this move starting in the second half of fiscal 2012.

Over the last couple of quarters, JLG experienced supply chain challenges that have been pervasive in the industry. While we don't have all of the challenges behind us, we've seen steady improvements with supplier deliveries and believe that supply chain constraints will not significantly impact our JLG and Jerr-Dan branded product sales in fiscal 2012.

In our commercial segment, a focus on eliminating supplier constraints and driving lean initiatives deeper into the organization contributed to increased year-over-year labor efficiencies and improved financial results.

Finally, we continued to struggle during the quarter with the consolidation of ambulance and mobile medical unit production into our Florida operations. We have made some changes in our manufacturing leadership for this project, which has cost us some time, but we believe we have a workable plan and have assigned additional internal and external resources to help us achieve the benefits of the facility consolidations that we first projected when this project kicked off last year.

Now, please turn to slide 6 and Dave will take us through a brief discussion of our financial performance for the quarter and our updated expectations for fiscal 2012.

**Dave Sagehorn**

Thanks, Charlie.

***Consolidated Results***

Consolidated net sales for our first fiscal quarter were $1.88 billion, an increase of 10.5% from the prior year quarter. Higher FMTV and access equipment sales more than offset lower FHTV vehicle and M-ATV aftermarket parts sales in our defense segment.

A few comments about the segments: FMTV sales made up approximately 30% of defense segment sales in the quarter compared to less than 1% of sales in the first quarter of fiscal 2011.

Sales to external customers in our access equipment segment were up more than 70% during the quarter and backlog was up more than 100% at December 31, reflecting the continued recovery in the access equipment market. Double-digit sales increases were realized in all regions of the world and across all product lines as a result of replacement of aged equipment in North America and parts of Europe, as well as economic growth and increased product adoption in emerging markets.

In addition, the fire & emergency segment experienced a sales decline that was largely concentrated in our airport products group. The driver of the decline was a difficult comparison to the prior year quarter which included a large international ARFF order. We do expect sequentially higher fire & emergency segment sales in the second quarter.

Consolidated operating income for the quarter was $75.3 million, or 4.0% of sales, compared to $168.7 million, or 9.9% of sales, in the prior year quarter. The sales mix shift in the defense segment from higher margin FHTV vehicle and M-ATV aftermarket parts sales to low margin FMTV vehicle sales was the largest driver of the lower operating income and operating income margin in the quarter. FMTV profit in the quarter of $4.0 million represented a $13.9 million improvement from the fourth quarter of fiscal 2011, reflecting the continued improved performance on this program.

Access equipment margins, excluding M-ATV related sales to the defense segment, improved compared to the first quarter of fiscal 2011, but were negatively impacted by higher material costs, similar to what we saw in the fourth quarter of fiscal 2011. Higher new product development spending in support of our MOVE strategy also negatively impacted margins in the current year quarter.

First quarter results included $4.6 million of costs in the fire & emergency segment related to continued inefficiencies associated with the move of ambulance and mobile medical unit production to Florida in fiscal 2011.

EPS for the quarter was $0.42, compared to $1.09 in last year's first quarter. Results for the current year quarter included $0.02 per share of costs related to the proxy contest that concluded last week and $0.04 per share of negative foreign currency impact. Results for the quarter also benefited from $0.07 per share of discrete tax items. Results for the first quarter of the prior year included $0.15 per share of restructuring related costs, offset by a $0.10 per share benefit from discrete tax items.

And, we paid down $40 million of debt in the quarter.

Let's take a look at our current outlook for fiscal 2012. Please turn to slide 7.

***Updated Expectations for FY12***

Our overall EPS outlook for fiscal 2012 is slightly improved from our commentary in our last earnings call, and we are updating our outlook for each of the segments as follows, starting with defense.

Our estimate of approximately 15% lower defense segment sales compared to fiscal 2011 remains unchanged. As a result of the first quarter performance on the FMTV program we believe operating income margins in the defense segment will be slightly higher than our previous expectations, or nearly 5%. The continued sales mix shift to a higher percentage of FMTVs is expected to be the main driver of lower operating income margins compared to fiscal 2011.

Turning to our access equipment segment, we now believe that sales in this segment will be 25% to 30% higher than fiscal 2011, compared to our previous estimate of approximately 20% higher. Our estimate of mid to high single digit margins for this segment remains unchanged. We believe that the price increase

that was effective at the beginning of January and higher sales will drive higher margins than we saw in this segment's seasonally weak first quarter.

In the fire & emergency segment, we now expect that fiscal 2012 sales will be slightly higher than fiscal 2011. We expect to deliver stronger quarterly sales in the remaining quarters of the year than in the first quarter. However, we anticipate the previously discussed production inefficiencies in the segment and increased price pressure will likely lead to lower operating income than we previously believed and very low single-digit margins in fiscal 2012.

Strong first quarter performance in the commercial segment, including a backlog that is up 30% compared to the prior year has led us to adjust upward our full year outlook for this segment. We now expect that commercial segment sales will be up about 15% for the year, led by sales of RCVs. We also expect concrete mixer sales to be up slightly for the year. We believe that full year operating income margins in the segment will be higher than in fiscal 2011, due to increased overhead absorption as a result of the higher expected sales along with the benefits of improved manufacturing efficiencies, but still in the low single digits.

We continue to believe that our corporate expenses will be slightly higher compared to fiscal 2011 due to proxy contest costs and as we support investments in our MOVE initiatives. We also expect lower interest expense reflecting the expiration of our interest rate swap in the first quarter and the full year impact of fiscal 2011 debt reduction.

We've reduced our estimated tax rate for fiscal 2012 slightly to 32% - 34%. We expect that the tax rate in the remaining quarters of the year will be higher than this range as discrete tax items recorded in the first quarter resulted in a lower tax rate in that quarter.

We also now believe that we'll generate slightly positive free cash flow for the year compared to our previous expectation of modestly negative free cash flow, primarily due to a new view on timing of performance-based payments in the defense segment. And, we continue to expect capital expenditures of $85 - $95 million for the year.

We believe that the second quarter will be the lowest quarter of the year in terms of EPS. We expect defense margins will be lower than the full year average for this segment as sales in this quarter will be most affected by the tire allocation issue described in previous calls, which will limit higher margin FHTV sales in the

second quarter. We expect higher access equipment margins in the quarter due to improved pricing and seasonally stronger sales, although the access segment won't benefit from the more than $120 million of M-ATV related sales to the defense segment that it recorded in the first quarter. In fire & emergency, we expect higher sales in the quarter compared to the first quarter and a small operating profit. And we expect lower sales and operating income margin in the commercial segment compared to the first quarter, which benefited from strong RCV sales as customers sought to take advantage of bonus depreciation deductions.

We expect corporate expenses in the quarter will be higher than in the first quarter due to the timing of planned spending. And, we expect that the tax rate for the second quarter will be approximately 36%.

I'll turn it back over to Charlie for some closing comments.

**Charlie Szews**
***Wrap up***

We know what we need to do — deliver operational and/or structural portfolio changes to enhance value for shareholders. We are taking action to accelerate performance across all of our businesses and create more efficient operations. We are continuing to reduce costs, lead our markets in product innovation and grow our businesses around the world—three key components of our MOVE strategy. We believe we are optimally positioned to capitalize on an upturn in our markets. We are mission driven to do so and will work to provide metrics for you on our progress.

I know you are interested in asking questions, so I will turn it back over to Pat to get the Q&A started.

Thank you for your continued support and interest in Oshkosh Corporation.

**Pat Davidson**

Thanks Charlie. I'd like to remind everyone to limit their questions to one plus a follow-up. After the follow-up, we ask that you get back in queue to ask additional questions.

Operator, please begin the question and answer period of this call.